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SUBJECT: AUSTRALIAN VIEWS ON THE BANGKOK UNFCCC MEETINGS

REF: A. SECSTATE 107536

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11. (SBU) Summary. Australia is generally positive about the outcomes of the recent Bangkok UNFCCC meetings. The assessment that the negotiations will be tough has not changed, but there is a strong sense that key issues like adaptation, legal form of an agreement, and REDD can be moved ahead at the negotiating level. The toughest issues (carbon mitigation and financing) will have to be dealt with at the senior political level. Minister Wong will travel this week to the Barcelona Greenland Dialogue, then return to Canberra to lead the effort to pass domestic legislation. She will not be able to attend any additional events until the Copenhagen meetings themselves. End Summary.

Crunch Time, a Good Sign

- 12. (SBU) Econoff met with Robert Owen-Jones, Assistant Secretary for Multilateral Negotiations at the Department of Climate Change on October 21. Owen-Jones said the negotiating team thought that Bangkok went fairly well. On several key issues it was clear that developing countries do not have a unified position and are open to negotiation. Owen-Jones said this lack of a unified G-77 bloc on adaptation funding, reducing emissions for deforestation and forest degradation (REDD) and on the form of a post-2012 agreement is a chance for progress.
- 13. (SBU) In Owen-Jones' view, the recognition by many at the conference that it was now "crunch time" has led to more realistic and reasonable views from key players on a path forward. He pointed to the recently leaked letter from Indian Environment Minister Ramesh to Prime Minister Singh as a sign that India was already thinking along these lines.
- 14. (SBU) Minister Wong's climate advisor, Kristina Hickey, told Econoff on October 26 that the negotiations would be "tough but achievable." Hickey said political commitment by leaders would be needed to break the impasse on mitigation commitments and financing, but that other issues (like REDD) were moving forward in the negotiations. She said PM Rudd welcomed Danish PM Rasmussen's call for faster progress on

October 23. Rudd subsequently agreed to a request to serve as a "friend of the Chair" on October 27. The greatest difficulty, according to Hickey, is putting together a strong enough political agreement that contains commitments without having all details ironed out in December. Wong will attend the Greenland Dialogue meetings in Barcelona but will not attend the UNFCCC sessions and will not travel again until Copenhagen itself.

A "Copenhagen Package"

- 15. (SBU) According to a GOA paper provided by Owen-Jones, the Copenhagen package that GOA is developing with Denmark would include:
- -- A "political agreement" that would establish a shared vision and post-2012 architecture, capture agreement on each element of the 2007 Bali Action Plan, and settle areas for immediate action before 2012; and
- -- A "set of decisions" that set up a post-2012 architecture and that would detail immediate actions on issues like Qand that would detail immediate actions on issues like funding low emissions development plans and REDD mechanisms.
- 16. (SBU) The package would also make a series of decisions that would enable an Implementing Agreement or Agreements on post-2012 actions. These actions would center on the principles in the Bali Action Plan, as agreed to in the political document. The Australian proposal also argues that

CANBERRA 00000965 002 OF 002

the Copenhagen meeting must set out a future calendar to negotiate these decisions.

- 17. (SBU) The possibility that negotiations will lead to a process beyond Copenhagen presents some problems for the government's domestic CPRS legislation. The Rudd government has said that it will set its own emissions target based on what other countries are willing to do. If it passes domestic legislation with the help of moderate opposition in November as expected (ref B), it will be under pressure to set a mid-term target near its declared minimum of 5-10% in the absence of a firm deal. If negotiations lead to a robust agreement later in the year, the government would likely have to raise its ambitions before it sets its initial scheme cap for 2012-2015 in July of 2010, and could face calls from industry for compensation for changing the target.
- ¶8. (SBU) Comment: The views on the outcomes of the Bangkok meetings are more positive within government, and even some of our NGO contacts, than the more negative public comments that have come from some countries and commentators. Australia is keen to stay in the center of the mix, but the need to settle their domestic policy means Rudd and Wong will be concentrating on issues at home over the next several weeks.

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